



# IMPERIAL BANK OF CANADA

SEVENTIETH  
ANNUAL REPORT  
PRESENTED TO THE  
SHAREHOLDERS  
NOVEMBER 22<sup>nd</sup>  
1944

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# Imperial Bank of Canada

Head Office: Toronto

---

*Established 1875*

---

CAPITAL AUTHORIZED . \$10,000,000.00

CAPITAL PAID UP . . . 7,000,000.00

RESERVE FUND . . . 8,000,000.00

Seventieth Annual Report  
1944







# Imperial Bank of Canada

ESTABLISHED 1875

|                                |                 |
|--------------------------------|-----------------|
| CAPITAL (AUTHORIZED) - - - - - | \$10,000,000.00 |
| CAPITAL (PAID UP) - - - - -    | 7,000,000.00    |
| RESERVE FUND - - - - -         | 8,000,000.00    |

## DIRECTORS

|                                     |                               |                          |
|-------------------------------------|-------------------------------|--------------------------|
| A. E. PHIPPS, CHAIRMAN OF THE BOARD |                               |                          |
| R. S. WALDIE, PRESIDENT             |                               |                          |
| COL. J. F. MICHIE, VICE-PRESIDENT   |                               |                          |
| J. W. HOBBS                         | WALTER C. LAIDLAW             |                          |
| JOHN A. NORTHWAY                    | G. H. ATKINS, K.C. (Winnipeg) | H. E. SELLERS (Winnipeg) |
| W. B. WOODS                         | ARTHUR L. BISHOP              |                          |
| E. E. BUCKERFIELD (Vancouver)       | C. G. COCKSHUTT (Brantford)   |                          |
| <del>H. H. HORSEALL</del>           | H. L. McCULLOCH (Galt)        |                          |
| W. B. POWELL (Hamilton)             | ELIOT S. FROSST (Montreal)    |                          |
| JULES R. TIMMINS (Montreal)         | F. G. ROLPH                   | W. P. WALKER             |

## HEAD OFFICE, TORONTO

|                                                             |
|-------------------------------------------------------------|
| W. G. MORE, GENERAL MANAGER                                 |
| I. K. JOHNSTON, ASSISTANT GENERAL MANAGER                   |
| L. S. MACKERSY, ASSISTANT GENERAL MANAGER                   |
| A. D. DUNCAN, SUPERINTENDENT OF WESTERN BRANCHES (Winnipeg) |
| JOHN HADDEN, SECRETARY                                      |
| H. D. SCOTT, SUPERINTENDENT OF FOREIGN BUSINESS             |
| P. H. JONES, SUPERINTENDENT OF EASTERN BRANCHES (Toronto)   |
| H. F. RICE, SUPERINTENDENT OF INVESTMENTS                   |
| H. P. BAKER, EXECUTIVE SECRETARY                            |

## SUPERVISORS' DEPARTMENT

|                                  |            |
|----------------------------------|------------|
| B. E. HOWARD, GENERAL SUPERVISOR |            |
| <i>Supervisors</i>               |            |
| A. YOUNG                         | H. RILEY   |
| R. M. VIRTUE (Winnipeg)          | J. R. BUNN |

## INSPECTORS' DEPARTMENT

|                            |              |
|----------------------------|--------------|
| W. BOURKE, CHIEF INSPECTOR |              |
| <i>Inspectors</i>          |              |
| A. C. ROME                 | P. W. PAIN   |
| M. E. A. MARSHALL          | C. G. ROYDS  |
|                            | T. A. HENSON |

## BRANCHES

### PROVINCE OF ONTARIO

#### TORONTO—

|                                        |                 |           |
|----------------------------------------|-----------------|-----------|
| KING & BAY STS.<br>(HEAD OFFICE)       | A. R. MARTIN    | Manager   |
|                                        | R. J. REDRUPP   | Assistant |
|                                        | F. FINDLAY      | "         |
| ADELAIDE & VICTORIA STS.               | C. G. GREEN     | "         |
| BATHURST & DUPONT STS.                 | M. J. GOULD     | "         |
| BAY & TEMPERANCE STS.                  | E. J. CASE      | "         |
| BAYVIEW AVE., LEASIDE                  | G. WELFORD      | "         |
| BLOOR & BATHURST STS.                  | F. TURNER       | "         |
| BLOOR ST. & LANSDOWNE AVE.             | R. R. BROWN     | "         |
| CHURCH & CARLTON STS.                  | G. S. THOMPSON  | "         |
| DANFORTH & CARLAW AVES.                | D. N. WRIGHT    | "         |
| DUNDAS & BLOOR STS.                    | S. S. JONES     | "         |
| DUNDAS & JARVIS STS.                   | A. T. SMITH     | "         |
| DUNDAS ST. & RUNNYMEDE ROAD            | W. J. ARNOLD    | "         |
| DUNDAS ST. & UNIVERSITY AVE.           | J. A. GROSKURTH | "         |
| DUNDAS & VICTORIA STS.                 | A. H. WEAVER    | "         |
| EGLINTON AVE. & MOUNT PLEASANT<br>ROAD | B. B. VALE      | "         |
| KING & MARKET STS.                     | J. F. MACKAY    | "         |



TORONTO—(Cont.)

|                               |                          |         |
|-------------------------------|--------------------------|---------|
| KING & SHERBOURNE STS.        | H. E. BEMROSE            | Manager |
| KING ST. & SPADINA AVE.       | G. R. MURTON             | "       |
| KING & YORK STS.              | E. H. ANDERSON           | "       |
| KINGSTON ROAD & BALSAM AVE.   | J. B. ATKINS             | "       |
| LEASIDE                       | H. G. WATERS             | "       |
| MONARCH PARK & DANFORTH AVES. | H. T. BEATY              | "       |
| NEW TORONTO                   | P. E. THOMLINSON         | "       |
| OAKWOOD AVE. & ROGERS RD.     | T. M. SUTTON             | "       |
| QUEEN & BATHURST STS.         | J. M. HOUSTON            | "       |
| QUEEN ST. & CARLAW AVE.       | H. A. CROSS              | "       |
| QUEEN ST. & KINGSTON RD.      | H. S. HADGRAFT           | "       |
| QUEEN ST. & RONCESVALLES AVE. | M. R. HAY                | "       |
| RUNNYMEDE RD. & ANNETTE ST.   | J. ANDERSON              | "       |
| ST. CLAIR & BOON AVES.        | W. W. FIELD              | "       |
| SCARBORO' (COLEMAN P.O.)      | W. H. GIBSON SMITH       | Acting  |
| SILVERTHORN AVE. & ROGERS RD. | W. M. RENWICK            | "       |
| WELLINGTON & YONGE STS.       | J. W. THOMSON            | "       |
| WEST TORONTO                  | W. E. CUSLER             | "       |
| 1953 YONGE ST.                | R. H. MONTGOMERY         | "       |
| YONGE & BLOOR STS.            | J. B. PRIESTMAN          | "       |
| YONGE & QUEEN STS.            | P. B. REEVE              | "       |
| AMHERSTBURG                   | W. A. PATTERSON          | "       |
| AURORA                        | H. M. MCKENZIE           | "       |
| BOLTON                        | W. A. GREENWOOD          | "       |
| BRANTFORD                     | D. SUTHERLAND            | "       |
| CALEDON EAST                  | (Sub Branch to Bolton)   | "       |
| CHATHAM                       | N. B. CUMMINS            | "       |
| COBALT                        | E. T. CUTTLE             | "       |
| COCHRANE                      | L. R. ANDERSON           | "       |
| COTTAM                        | A. E. MacGIRR            | "       |
| DELHI                         | A. S. WAGNER             | "       |
| ENGLEHART                     | R. E. TRACY              | "       |
| ESSEX                         | A. L. SONLEY             | "       |
| FERGUS                        | F. T. KYLE               | "       |
| FONTHILL                      | G. L. GORDON             | "       |
| FORT WILLIAM                  | W. M. PORTER             | "       |
| GALT                          | T. R. RICHARDSON         | "       |
| HAMILTON                      | W. H. COGHILL            | "       |
| HARROW                        | W. J. GOLDEN             | "       |
| HEARST                        | H. MARTENS               | "       |
| HUMBERSTONE                   | F. R. WILSON             | "       |
| INGERSOLL                     | J. R. HENLEY             | "       |
| JORDAN                        | (Sub Branch to Vineland) | "       |
| JORDAN STATION                | (Sub Branch to Vineland) | "       |
| KAPUSKASING                   | C. A. KEHOE              | "       |
| KENORA                        | C. C. FAWCETT            | "       |
| KIRKLAND LAKE                 | C. L. GRISDALE           | "       |
| KITCHENER                     | O. L. METLER             | Acting  |
| LANGTON                       | J. BRAWLEY               | "       |
| LARDER LAKE                   | A. I. MCINTYRE           | "       |
| LISTOWEL                      | L. T. CHARLTON           | "       |
| LONDON                        | H. ROBERTS               | "       |
| MATACHEWAN                    | N. M. PLANT              | "       |
| MATHESON                      | K. N. ALLAN              | "       |
| MCKENZIE ISLAND               | (Sub Branch to Red Lake) | "       |
| NEW LISKEARD                  | J. S. INK                | "       |
| NIAGARA FALLS                 | JOHN THOMSON             | "       |
| " BRIDGE ST.                  | H. M. SAMPSON            | "       |
| " SOUTH                       | J. H. ARKELL             | "       |
| NIAGARA-ON-THE-LAKE           | F. H. HEWSON             | "       |
| NORTH BAY                     | M. G. COBURN             | "       |
| OTTAWA                        | J. WALKER                | "       |
| PALGRAVE                      | (Sub Branch to Bolton)   | "       |
| PORT ARTHUR                   | J. W. WILLIS             | "       |
| PORT COLBORNE                 | W. R. RODGER             | "       |
| PRESTON                       | R. E. Y. BALDWIN         | "       |
| RED LAKE                      | H. B. HENDERSON          | "       |
| RIDGEWAY                      | C. A. HAMILTON           | "       |
| ST. CATHARINES                | E. J. BAKER              | "       |
| " EAST END                    | F. B. THOMSON            | "       |
| " MARKET                      | A. F. ROBERTSON          | "       |
| ST. DAVIDS                    | A. T. MINNIS             | "       |
| ST. THOMAS, EAST END          | W. R. CUMMING            | "       |
| " WEST END                    | M. A. RICHARDSON         | "       |
| SANDWICH                      | E. B. REYNOLDS           | "       |
| SAULT STE. MARIE              | J. D. PATTERSON          | "       |
| " GORE & QUEEN STS.           | R. B. WANSBROUGH         | "       |
| SCHOMBERG                     | E. SMITH                 | "       |



|                      |                     |         |
|----------------------|---------------------|---------|
| SIoux LOOKOUT.....   | A. FREESON.....     | Manager |
| SOUTH PORCUPINE..... | F. E. COOPER.....   | "       |
| STAMFORD.....        | C. W. GRIME.....    | "       |
| SUDBURY.....         | W. G. CHAMBERS..... | "       |
| THESSALON.....       | A. D. LEWIS.....    | "       |
| TIMMINS.....         | H. C. SCARTH.....   | "       |
| VINELAND.....        | E. H. COLEMAN.....  | "       |
| VIRGINIATOWN.....    | A. E. BUTLER.....   | "       |
| WALKERVILLE.....     | W. T. CARTHEW.....  | "       |
| " TECUMSEH BLVD..... | H. J. ARBUCKLE..... | "       |
| WELLAND.....         | F. C. TROTT.....    | "       |
| WINDSOR.....         | T. R. JONES.....    | "       |
| WOODSTOCK.....       | L. R. LLOYD.....    | "       |

#### PROVINCE OF QUEBEC

|               |                    |           |
|---------------|--------------------|-----------|
| MONTREAL..... | J. S. PROCTOR..... | Manager   |
| " EAST.....   | E. J. FRIESEN..... | Assistant |
| NORANDA.....  | A. P. GRANT.....   | "         |
|               | G. C. DUNLOP.....  | "         |

#### PROVINCE OF MANITOBA

|                         |                      |                  |
|-------------------------|----------------------|------------------|
| BRANDON.....            | H. W. THOMSON.....   | Manager          |
| GIMLI.....              | R. L. WASSON.....    | "                |
| PORTAGE LA PRAIRIE..... | W. P. GRAHAM.....    | "                |
| RIVERTON.....           | (Sub to Gimli)       | "                |
| WINNIPEG.....           | W. L. GILLILAND..... | "                |
| " NORTH END.....        | D. C. SHIRREFF.....  | Acting Assistant |
| " ST. VITAL.....        | T. J. SLATTERY.....  | "                |
|                         | R. S. McCLAY.....    | "                |

#### PROVINCE OF SASKATCHEWAN

|                      |                        |         |
|----------------------|------------------------|---------|
| ASSINIBOIA.....      | C. D. HARDY.....       | Manager |
| BENGOUGH.....        | E. KRISTENSEN.....     | "       |
| BROADVIEW.....       | R. MAVOR.....          | "       |
| CANWOOD.....         | W. D. TALMEY.....      | "       |
| FORT QU'APPELLE..... | H. WILLSON.....        | "       |
| HEPBURN.....         | J. B. SCHMOR.....      | "       |
| LAIRD.....           | E. L. MEERES.....      | "       |
| LANDIS.....          | P. V. ALLEN.....       | "       |
| MAYMONT.....         | A. J. RICHES.....      | "       |
| MEADOW LAKE.....     | S. A. HERON.....       | "       |
| MOOSE JAW.....       | A. S. ROSENROLL.....   | "       |
| MOSSBANK.....        | J. GARRISON.....       | "       |
| PANGMAN.....         | M. J. MONCEON.....     | "       |
| PIAPOT.....          | R. D. FORRESTER.....   | "       |
| PRINCE ALBERT.....   | J. BALLANTYNE.....     | "       |
| REGINA.....          | F. W. SCRIMES.....     | "       |
| ROCKGLEN.....        | L. J. BERGMAN.....     | "       |
| ROSTHERN.....        | L. F. FLURY.....       | "       |
| SASKATOON.....       | J. D. MCGILLIVRAY..... | "       |
| STOUGHTON.....       | H. I. SHAW.....        | "       |
| WEYBURN.....         | G. W. STERLING.....    | "       |
| WILKIE.....          | D. C. HOWELL.....      | "       |
| YELLOW GRASS.....    | E. C. KOCHEN.....      | "       |

#### PROVINCE OF ALBERTA

|                          |                      |           |
|--------------------------|----------------------|-----------|
| ATHABASCA.....           | J. G. DEACON.....    | Manager   |
| BANFF.....               | W. V. GODDARD.....   | "         |
| CALGARY.....             | J. W. McDIARMID..... | "         |
| " EAST END.....          | A. W. PERRY.....     | Assistant |
| DONALDA.....             | J. S. W. CLOWES..... | "         |
| ECKVILLE.....            | L. B. GRABAN.....    | "         |
| EDMONTON.....            | H. S. MANN.....      | "         |
| " NORWOOD BOULEVARD..... | R. CARSON.....       | "         |
| " SOUTH.....             | N. S. MACKIE.....    | Assistant |
| " WEST.....              | L. L. MASON.....     | "         |
| EDSON.....               | J. M. KINNEAR.....   | "         |
| FERINTOSH.....           | H. W. HARRISON.....  | "         |
| GRANDE PRAIRIE.....      | H. C. MACDONALD..... | "         |
|                          | W. L. M. SISSON..... | "         |
|                          | J. H. NELSON.....    | "         |

# PROVINCE OF ALBERTA—(Cont.)

|                           |                         |         |
|---------------------------|-------------------------|---------|
| JASPER.....               | A. MCKENZIE.....        | Manager |
| MILLET.....               | J. A. ENGLISH.....      | "       |
| RED DEER.....             | P. C. F. ROUTLEDGE..... | "       |
| ROCKY MOUNTAIN HOUSE..... | S. G. HOOKER.....       | "       |
| SANGUDO.....              | R. G. HICKS.....        | "       |
| SYLVAN LAKE.....          | J. H. CLARK.....        | "       |
| WETASKIWIN.....           | J. MacGREGOR.....       | "       |

# PROVINCE OF BRITISH COLUMBIA

|                 |                                                |           |
|-----------------|------------------------------------------------|-----------|
| CRANBROOK.....  | MARK COOK.....                                 | Manager   |
| FERNIE.....     | G. B. TURNER.....                              | "         |
| GOLDEN.....     | F. P. THOMAS.....                              | "         |
| INVERMERE.....  | A. ASHWORTH.....                               | "         |
| NATAL.....      | W. E. GODFREY.....                             | "         |
| NELSON.....     | W. R. GRUBBE.....                              | "         |
| REVELSTOKE..... | W. K. WICKENS.....                             | "         |
| VANCOUVER.....  | W. M. SELLENS.....                             | "         |
| ".....          | P. R. NEELY.....                               | Assistant |
| ".....          | HASTINGS & ABBOTT STS.. C. G. T. HARCOURT..... | "         |
| VICTORIA.....   | J. H. D. BENSON.....                           | "         |

# NORTH WEST TERRITORIES

|                  |                |         |
|------------------|----------------|---------|
| YELLOWKNIFE..... | J. GORDON..... | Manager |
|------------------|----------------|---------|



# Imperial Bank of Canada

## *Principal Agents and Correspondents*

### EUROPE

|                                   |                                                   |
|-----------------------------------|---------------------------------------------------|
| GREAT BRITAIN<br>AND IRELAND..... | LLOYDS BANK LIMITED                               |
|                                   | British Overseas Bank Limited                     |
|                                   | District Bank Limited                             |
|                                   | Commercial Bank of Scotland Limited               |
|                                   | Munster & Leinster Bank Limited                   |
|                                   | Northern Bank Limited                             |
| PORTUGAL.....                     | Bank of London & South America Limited            |
| SPAIN.....                        | Bank of London & South America Limited            |
| SWEDEN.....                       | Skandinaviska Banken Aktiebolag                   |
| SWITZERLAND.....                  | Lloyds & National Provincial Foreign Bank Limited |
|                                   | Swiss Bank Corporation                            |

### ASIA

|                    |                                               |
|--------------------|-----------------------------------------------|
| CHINA.....         | Bank of China                                 |
| INDIA AND CEYLON.. | Lloyds Bank Limited                           |
|                    | Hongkong & Shanghai Banking Corporation       |
|                    | Chartered Bank of India, Australia & China    |
|                    | Imperial Bank of India                        |
|                    | National Bank of India, Limited               |
| PALESTINE.....     | Barclays Bank (Dominion, Colonial & Overseas) |

### AFRICA

|                                |                                               |
|--------------------------------|-----------------------------------------------|
| BRITISH<br>EAST AFRICA.....    | Standard Bank of South Africa Limited         |
|                                | Barclays Bank (Dominion, Colonial & Overseas) |
| BRITISH<br>WEST AFRICA.....    | Bank of British West Africa Limited           |
|                                |                                               |
| EGYPT.....                     | Barclays Bank (Dominion, Colonial & Overseas) |
| PORTUGUESE<br>EAST AFRICA..... | Standard Bank of South Africa Limited         |
|                                | Barclays Bank (Dominion, Colonial & Overseas) |
| RHODESIA.....                  | Standard Bank of South Africa Limited         |
| SOUTH AFRICA.....              | Standard Bank of South Africa Limited         |
|                                | Barclays Bank (Dominion, Colonial & Overseas) |
| SOUTH<br>WEST AFRICA....       | Standard Bank of South Africa Limited         |
|                                | Barclays Bank (Dominion, Colonial & Overseas) |

## AMERICA

|                   |                                                                                                                                                                                                                     |
|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| UNITED STATES.... | NEW YORK—BANK OF THE MANHATTAN COMPANY<br>Bankers Trust Co.<br>Brown Brothers Harriman & Co.<br>Chase National Bank<br>Guaranty Trust Company of New York<br>Irving Trust Company<br>National City Bank of New York |
|                   | BOSTON—First National Bank of Boston<br>National Shawmut Bank of Boston                                                                                                                                             |
|                   | BUFFALO—Marine Trust Company of Buffalo                                                                                                                                                                             |
|                   | CHICAGO—Continental Illinois National Bank & Trust Company<br>First National Bank of Chicago                                                                                                                        |
|                   | CLEVELAND—National City Bank of Cleveland                                                                                                                                                                           |
|                   | DETROIT—Manufacturers National Bank of Detroit<br>National Bank of Detroit                                                                                                                                          |
|                   | DULUTH—First & American National Bank                                                                                                                                                                               |
|                   | LOS ANGELES—Citizens National Trust & Savings Bank<br>Bank of America N. T. & S. A.                                                                                                                                 |
|                   | MINNEAPOLIS—First National Bank of Minneapolis                                                                                                                                                                      |
|                   | NIAGARA FALLS, N. Y.—Power City Trust Company                                                                                                                                                                       |
|                   | PHILADELPHIA—First National Bank<br>Philadelphia National Bank                                                                                                                                                      |
|                   | PORTLAND, ORE.—United States National Bank                                                                                                                                                                          |
|                   | ROCHESTER, N. Y.—Lincoln-Alliance Bank & Trust Company                                                                                                                                                              |
|                   | SAN FRANCISCO—Wells Fargo Bank & Union Trust Company                                                                                                                                                                |
|                   | SEATTLE—Seattle-First National Bank                                                                                                                                                                                 |
|                   | SPOKANE—Seattle-First National Bank                                                                                                                                                                                 |
| MEXICO.....       | { Banco de Comercio, S.A.<br>Banco Nacional de Mexico                                                                                                                                                               |
| BERMUDA.....      | { Bank of N. T. Butterfield & Son Limited<br>Bank of Bermuda Limited                                                                                                                                                |
| WEST INDIES.....  | Barclays Bank (Dominion, Colonial & Overseas)                                                                                                                                                                       |



|                      |                                                                            |
|----------------------|----------------------------------------------------------------------------|
| CENTRAL AMERICA..... | { Bank of London & South America Limited<br>National City Bank of New York |
| CUBA.....            | { First National Bank of Boston<br>National City Bank of New York          |
| SOUTH AMERICA...     | { Bank of London & South America Limited<br>First National Bank of Boston  |

#### AUSTRALASIA

|                                 |                                                                                                                                                                                                                |
|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AUSTRALIA AND<br>NEW ZEALAND... | { Bank of New South Wales<br>Commercial Bank of Australia Limited<br>Bank of Adelaide<br>Bank of Australasia<br>Union Bank of Australia Limited<br>National Bank of Australasia Limited<br>Bank of New Zealand |
| HAWAII.....                     | Bank of Hawaii                                                                                                                                                                                                 |

# Imperial Bank of Canada

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## PROCEEDINGS

OF THE  
SEVENTIETH ANNUAL GENERAL MEETING OF  
SHAREHOLDERS

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The Seventieth Annual General Meeting was held at the Head Office of the Bank in Toronto on Wednesday, the Twenty-second day of November, 1944, at 2.30 p.m.

Among those present were:—G. H. Aikins, K.C. (Winnipeg), E. N. Bate, A. M. Bethune, A. L. Bishop, W. Bourke, E. E. Buckerfield (Vancouver), Colin Campbell, A. R. Capreol, E. J. Case, C. Gordon Cockshutt (Brantford), W. H. Coghill, Ven. Archdeacon W. J. Doherty (London), Eliot S. Frosst (Montreal), John Hadden, Frank A. Harrison, J. W. Hobbs, B. E. Howard, G. W. Howland, I. K. Johnston, Walter C. Laidlaw, L. S. Mackersy, A. R. Martin, H. L. McCulloch (Galt), W. E. G. McLennan, B. Menelaus (Melbourne, Australia), W. G. More, John A. Northway, G. E. Phipps, W. B. Powell (Hamilton), P. B. Reeve, F. G. Rolph, H. D. Scott, A. H. Seguin, H. E. Sellers (Winnipeg), V. R. Smith, Godfrey E. Spragge, Jules R. Timmins (Montreal), H. Frank Vigeon, R. S. Waldie, W. P. Walker, Reginald W. Watkins, Peter White, K.C., and W. B. Woods.

The Chair was taken by the President, Mr. R. S. Waldie, and Mr. John Hadden was appointed to act as Secretary of the Meeting. Messrs. A. H. Seguin and H. Frank Vigeon were appointed Scrutineers.

The Notice calling the Meeting was read by the Secretary and the Minutes of the last Annual General Meeting were taken as read.



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## Imperial Bank of Canada

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The Directors' Report and the Annual Statement and Auditors' Report to the Shareholders were read by the Secretary.

### REPORT

The Directors have pleasure in presenting the Seventieth Annual Report and Statement of the affairs of the Bank as on 31st October, 1944, together with Profit and Loss Account showing the result of the operations for the year.

|                                                                                                                                                                                                                                                                                                                                                                   |                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| After providing for Dominion Government Taxes of \$545,541.45, of which \$9,121.96 is refundable under the provisions of The Excess Profits Tax Act and Contributions to Staff Pension and Guarantee Funds of \$109,601.84 and after making appropriations to Contingent Accounts, out of which accounts full provision for bad and doubtful debts has been made, |                            |
| the Profits for the year ended 31st October, 1944, were.....                                                                                                                                                                                                                                                                                                      | \$845,336.42               |
| Dividends were paid at the rate of 8% per annum.....                                                                                                                                                                                                                                                                                                              | 560,000.00                 |
| leaving.....                                                                                                                                                                                                                                                                                                                                                      | <u>\$285,336.42</u>        |
| Out of this amount there was written off Bank Premises.....                                                                                                                                                                                                                                                                                                       | 150,000.00                 |
| leaving a balance of Profits of.....                                                                                                                                                                                                                                                                                                                              | <u>\$135,336.42</u>        |
| to carry forward and add to the Profit and Loss Balance of 30th October, 1943, of.....                                                                                                                                                                                                                                                                            | 846,925.72                 |
| making the Profit and Loss Balance on 31st October, 1944.....                                                                                                                                                                                                                                                                                                     | <u><u>\$982,262.14</u></u> |

During the year one Branch was opened, at Yellowknife in the Northwest Territories. No Branches were closed.

Your Directors have to record with deep regret the deaths during the year of their colleagues Mr. G. C. Heintzman

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Imperial Bank of Canada

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and Mr. H. T. Jaffray. Mr. Heintzman was elected a Director of the Bank in 1921 and served in that capacity until the date of his death. He was at all times greatly interested in the welfare of the Bank. Mr. Jaffray, who joined the service of the Bank in 1899, was appointed General Manager in 1937. In 1943 he was elected a Director and later in the same year was elected a Vice-President. Mr. Jaffray was a banker of outstanding ability and in his death your Directors and the Bank have sustained a severe loss.

On 29th August, 1944, Mr. W. G. More, formerly Senior Assistant General Manager, was appointed General Manager.

On 12th April, 1944, Mr. Jules R. Timmins and Mr. Eliot S. Frosst, both of Montreal, were elected Directors, as were Mr. F. G. Rolph and Mr. W. P. Walker, both of Toronto, on 20th September, 1944. All are men of wide experience and it is hoped that their selection will meet with your entire approval.

All offices of the Bank including the Head Office have, in accordance with the invariable custom, been carefully inspected during the year and the Auditors appointed by you have also made their examinations as required by The Bank Act. Their Report and Certificate is attached to the Balance Sheet.

It again affords your Directors much pleasure to record their high appreciation of the efficient manner in which the various Officers of the Bank continue to discharge their respective duties.

All of which is respectfully submitted.

Toronto, November 22nd, 1944. R. S. WALDIE,  
President.



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# Imperial Bank of Canada

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## PROFIT AND LOSS ACCOUNT

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31st OCTOBER, 1944

|                                                                                                                                                                                                                                                                                                                                                                                                                      |              |              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Profits for the year ended 31st October, 1944, after providing for Dominion Government taxes of \$545,541.45 (of which \$9,121.96 is refundable under the provisions of the Excess Profits Tax Act), after Contributions to Staff Pension and Guarantee Funds of \$109,601.84 and after making appropriations to contingent accounts, out of which accounts full provision for bad and doubtful debts has been made. |              | \$845,336.42 |
| Dividends at the rate of 8% per annum.....                                                                                                                                                                                                                                                                                                                                                                           | 560,000.00   |              |
|                                                                                                                                                                                                                                                                                                                                                                                                                      |              | <hr/>        |
|                                                                                                                                                                                                                                                                                                                                                                                                                      |              | \$285,336.42 |
| Written off Bank Premises.....                                                                                                                                                                                                                                                                                                                                                                                       | 150,000.00   |              |
|                                                                                                                                                                                                                                                                                                                                                                                                                      |              | <hr/>        |
| Balance of Profits carried forward.....                                                                                                                                                                                                                                                                                                                                                                              | \$135,336.42 |              |
| Profit and Loss Balance 30th October, 1943.....                                                                                                                                                                                                                                                                                                                                                                      | 846,925.72   |              |
|                                                                                                                                                                                                                                                                                                                                                                                                                      |              | <hr/>        |
| Profit and Loss Balance 31st October, 1944.....                                                                                                                                                                                                                                                                                                                                                                      | \$982,262.14 |              |
|                                                                                                                                                                                                                                                                                                                                                                                                                      |              | <hr/>        |

### RESERVE FUND

|                                                      |                |
|------------------------------------------------------|----------------|
| Balance at Credit of Account 31st October, 1944..... | \$8,000,000.00 |
|------------------------------------------------------|----------------|

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R. S. WALDIE,  
*President.*

W. G. MORE,  
*General Manager.*

# Imperial Bank of Canada

## SEVENTIETH ANNUAL

31st OCTOBER

### LIABILITIES

|                                                                                                |                  |                  |
|------------------------------------------------------------------------------------------------|------------------|------------------|
| Capital Paid Up.....                                                                           | \$ 7,000,000.00  |                  |
| Reserve Fund.....                                                                              | 8,000,000.00     |                  |
| Dividends declared and unpaid.....                                                             | 141,163.85       |                  |
| Balance of Profits, as per Profit and Loss Account.....                                        | 982,262.14       |                  |
|                                                                                                |                  | \$ 16,123,425.99 |
| Notes in Circulation.....                                                                      |                  | 1,410,842.50     |
| Deposits by and balances due to Dominion Government.....                                       | \$ 14,591,862.84 |                  |
| Deposits by and balances due to Provincial Governments.....                                    | 32,290,643.35    |                  |
| Deposits by the public not bearing interest.....                                               | 111,626,880.40   |                  |
| Deposits by the public bearing interest, including interest accrued to date of Statement.....  | 141,727,275.69   |                  |
|                                                                                                |                  | 300,236,662.28   |
| Deposits by and balances due to other Chartered Banks in Canada.....                           | \$ 2,580,432.70  |                  |
| Deposits by and balances due to Banks and Banking Correspondents elsewhere than in Canada..... | 2,044,849.61     |                  |
|                                                                                                |                  | 4,625,282.31     |
| Acceptances and Letters of Credit Outstanding.....                                             |                  | 4,110,786.20     |

### AUDITORS' REPORT TO SHAREHOLDERS

We report to the Shareholders of the Imperial Bank of Canada:—

That we have examined the above Balance Sheet as at 31st October, 1944, and compared it with the books at Head Office and with the certified returns from the Branches. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In our opinion the Balance Sheet discloses the true condition of the Bank, and is as shown by the books of the Bank.

A. B. SHEPHERD, F.C.A.  
of Peat, Marwick, Mitchell & Co.

W. D. GLENDINNING, F.C.A.  
of Glendinning, Jarrett, Gray & Roberts.

Toronto, 14th November, 1944.

\$326,506,999.28



# Imperial Bank of Canada

## GENERAL STATEMENT

1944

| ASSETS                                                                                                                                                       |                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| Gold and Subsidiary Coin held in Canada.....                                                                                                                 | \$ 533,336.98           |
| Notes of Bank of Canada.....                                                                                                                                 | \$ 8,822,550.50         |
| Deposits with Bank of Canada.....                                                                                                                            | 23,147,126.02           |
|                                                                                                                                                              | 31,969,676.52           |
| Notes of and Cheques on other Banks.....                                                                                                                     | 14,062,600.14           |
| Government and Bank Notes other than Canadian.....                                                                                                           | 229,938.20              |
| Deposits with and balances due by other Chartered Banks in Canada...                                                                                         | 674,628.43              |
| Due by Banks and Banking Correspondents elsewhere than in Canada.....                                                                                        | 7,243,608.47            |
|                                                                                                                                                              | \$ 54,713,788.74        |
| Dominion Government direct and guaranteed Securities maturing within two years, not exceeding market value.....                                              | \$106,649,892.18        |
| Other Dominion Government direct and guaranteed Securities, not exceeding market value.....                                                                  | 59,327,046.52           |
| Provincial Government direct and guaranteed Securities maturing within two years, not exceeding market value.....                                            | 4,586,450.53            |
| Other Provincial Government direct and guaranteed Securities, not exceeding market value.....                                                                | 8,724,862.76            |
| Canadian Municipal Securities, not exceeding market value.....                                                                                               | 6,537,286.96            |
| Other Bonds, Debentures and Stocks, not exceeding market value.....                                                                                          | 1,215,349.43            |
|                                                                                                                                                              | 187,040,888.38          |
| Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures, Bonds and other Securities, of a sufficient marketable value to cover..... | \$ 5,155,572.00         |
| Current Loans and Discounts in Canada, not otherwise included, estimated loss provided for.....                                                              | 67,853,368.48           |
| Loans to Provincial Governments.....                                                                                                                         | 30,165.74               |
| Loans to Cities, Towns, Municipalities and School Districts.....                                                                                             | 2,484,591.37            |
|                                                                                                                                                              | 75,523,697.59           |
| Non-current Loans, estimated loss provided for.....                                                                                                          | 13,021.13               |
| Liabilities of Customers under Acceptances and Letters of Credit as per contra.....                                                                          | 4,110,786.20            |
| Bank Premises, at not more than cost, less amounts written off.....                                                                                          | 4,944,026.85            |
| Deposit with the Minister of Finance for the security of note circulation.....                                                                               | 91,639.32               |
| Other Assets not included under the foregoing heads (including refundable portion of Dominion Government taxes amounting to \$11,154.15).....                | 69,151.07               |
|                                                                                                                                                              | <u>\$326,506,999.28</u> |

R. S. WALDIE,  
*President.*

W. G. MORE,  
*General Manager.*

### THE GENERAL MANAGER'S ADDRESS

Before dealing with the Statement I would like to refer briefly to the loss which the Bank has sustained in the death on 18th of August, 1944, of Mr. H. T. Jaffray. Mr. Jaffray entered the service in 1899 and for seven and a half years prior to his death had been General Manager and more recently a Vice-President. He was a sound and able banker of wide experience who had also served as President of The Canadian Bankers' Association for a period of two years. In his death the Bank has lost a capable executive and the staff an esteemed colleague and staunch friend.

I would also like to refer to the death of my colleague Mr. Gordon D. Ritchie which occurred on 17th of October, 1944. Mr. Ritchie, who entered the service in 1903, was Assistant General Manager at the time of his death. He was also a banker of sound experience and judgment with a unique capacity for making and keeping friends. Both these officers spent their entire business career in the service of the Bank and served it well.

Turning to the Statement and examining first the Profit and Loss Account, it will be noted profits show a slight increase and after paying the usual dividends, reserving \$545,541.45 for Dominion Government Taxes, contributing \$109,601.84 to Staff Guarantee and Pension Funds and writing \$150,000 off Bank Premises, the credit at Profit and Loss Account has been increased by \$135,336.42 and now stands at \$982,262.14.

A number of changes will be noted in the make-up and order in which various items appear in the Statement. This is to conform with changes made in the Bank Act, which was revised during the year.

Dealing with the more important items and taking first Liabilities:—

**Notes in Circulation** at \$1,410,842.50 show a decrease of \$441,927.50.

Under the Bank Act the limit of our notes in circulation must not exceed 25% of our paid-up capital as of 1st January, 1945. We are already well within that limit and after that date all our notes presented for payment will be redeemed and not again re-issued.



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## Imperial Bank of Canada

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It will be of interest to the shareholders to know that as from 1st January, 1945, what is known as their "double liability" will be restricted to 25% of the par value of their shares and at the end of five years from that date will cease entirely.

**Deposits** by the Dominion and Provincial Governments and by the public now stand at \$300,236,662.28, the highest in the history of the Bank and an increase over a year ago of \$56,323,562.10. Of these, Dominion Government Deposits amount to \$14,591,862.84, an increase of \$349,087.28; Provincial Government Deposits \$32,290,643.35, an increase of \$7,801,382.98; Deposits by the Public Not Bearing Interest \$111,626,880.40, an increase of \$19,014,528.57 and Deposits by the Public Bearing Interest \$141,727,275.69, an increase of \$29,158,100.95. Deposits by and Balances Due to Other Banks at \$4,625,282.31 are down \$540,899.93 while Letters of Credit outstanding at \$4,110,786.20 show an increase of \$1,265,466.73.

On the **Assets** side it will be noted Total Assets have now reached the substantial sum of \$326,506,999.28, an increase of \$56,741,118.75 over a year ago, the result in large measure of continued Government and war activity, and are again a new high.

**Cash** on Hand including Notes of and Deposits with the Bank of Canada total \$32,732,951.70 representing 10.7% of liabilities to the public. Adding to these other quick assets consisting of Notes of and Cheques on Other Banks, Balances due by Other Banks, Dominion and Provincial Government, Municipal and other readily realizable bonds and securities give a grand total of \$241,754,677.32 equal to 78% of liabilities to the public.

Of these Assets \$31,969,676.52 consist of Notes of and Deposits with the Bank of Canada and \$111,236,342.71 consist of Dominion and Provincial Government securities maturing within two years. These latter in turn include Dominion Government Deposit Certificates amounting to \$78,270,000 representing temporary financing of the Government pending receipt of proceeds of Victory Loan subscriptions.

**Current Loans** now amount to \$67,853,368.48, practically the same amount as a year ago while Call and Short Loans

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## Imperial Bank of Canada

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at \$5,155,572 are up approximately \$3,000,000 reflecting somewhat increased activities in the Stock Market. Current Loans is one item in our Balance Sheet which we would like to see substantially increased and on the return to more normal times, now happily approaching, we are prepared and indeed anxious to do our full share within our power of any post-war financing that may be required.

With the exception of Bank Premises the other items in the Statement do not appear to call for special comment. Bank Premises now stand at \$4,944,026.85, a reduction of \$238,425.71 from a year ago. This reduction reflects the appropriation made from Profit and Loss Account and the sale of a few properties consisting of branches closed or no longer required.

During the year the decennial revision of the Bank Act was undertaken. A number of changes and additions were made but the main features of the Act wisely remain intact.

As previously mentioned the privilege of the Banks to issue their own notes ceases as from the 1st of January, 1945, and at the end of five years from that date the amount of notes then outstanding must be paid to the Bank of Canada who will thereafter redeem any presented for payment.

A change was also made in the par value of the capital of Bank shares, each share of \$100 being divided into 10 shares of \$10 each. This will make for wider distribution of share-holdings and should prove a popular move. In our own case the number of shareholders has already increased from 2,726 to 2,766. Of these 2,384 shareholders with total holdings of 603,820 shares reside in Canada.

The maximum rate of interest that may be charged on loans was reduced from 7% to 6%. This is not important as the vast majority of loans were already bearing a 6% or lower rate, though it might be better if interest rates were permitted to reach their own levels, as in many other countries, by supply and demand rather than be the subject of legislative action. In this connection an unfortunate tendency is to be noted in some quarters to arbitrarily reduce interest rates and otherwise interfere with the sanctity of contracts and the rights of creditors. While little objection can be offered to this so far as future con-



tracts are concerned the same cannot be said of contracts that were entered into on both sides on the faith of the law as it existed at the time the contracts were made. The great majority of debtors are willing and able to implement their obligations if given a reasonable opportunity to do so and the great majority of creditors are willing to give their debtors this opportunity if conditions bear unduly harshly on the debtors. Surely it would be much better to permit the interested parties to make their own arrangements than resort to force or arbitrary action.

Further changes in the Act make provision for loans to farmers and fishermen to purchase equipment in connection with their various operations. As previously stated, we are willing and anxious to make such loans in appropriate cases and to do our utmost to make these new features of the Act a success.

Proposals were also made to provide what are known as "Personal Loans" to wage earners and others but subsequently abandoned. This Bank has always catered to small as well as large business and has made many friends in doing so. To provide for popular demand we have recently established a system of small loans repayable in monthly instalments over a year on the basis of a rate of 6% interest per annum over the period of the loan. These loans are available at all our branches.

In conclusion, I would like to take this opportunity of expressing appreciation to the staff for their continued loyalty and support, without which the results of the past year would not have been possible. All are working under great strain and some handicap and all are entitled to a share of the credit and to our thanks. Our total staff now number 1,707 of whom 1,152 are young ladies. Five hundred and ninety-three officers, being 50% of the male members of the staff at the outbreak of war, are serving with the Forces. Of these it is with much regret and some pride I have to report that 37 have paid the supreme sacrifice and that 11 are reported missing and 4 are prisoners of war. To the parents and relatives of those who have given their lives I would again extend our sincerest sympathy and to the others I would say we will welcome their return to the service of the Bank when hostilities cease.

### THE PRESIDENT'S ADDRESS

My first duty in speaking to you this afternoon is to record with sorrow the loss sustained by the Bank in the deaths during the year of Mr. George C. Heintzman, Mr. H. T. Jaffray and Mr. Gordon D. Ritchie. Mr. Heintzman, who died in February last, had been a Director since 1921. He was one of Toronto's finest citizens and a man of sound business judgment. Always taking a keen interest in the affairs of your Bank his wise counsel was much appreciated and of great benefit to your Board. Mr. Jaffray's sudden and unexpected death last August, while on a short and well earned holiday, was a profound shock to us all. Mr. Jaffray, who had served the Bank in many capacities since he joined as a junior in 1899, was at the time of his death General Manager and Vice-President. He was one of Canada's outstanding bankers and his loss will be felt not only in this institution but in the financial community as a whole. In the death of Mr. Ritchie last month the Bank has suffered another serious loss. Mr. Ritchie, who was appointed an Assistant General Manager in 1937, had not enjoyed good health for some time but his death was also keenly felt by us all. To those of us who had been closely associated with these gentlemen, their death has meant a great personal loss.

As you know, Mr. Jaffray has been succeeded as General Manager by Mr. W. G. More who had filled the office of Senior Assistant General Manager for the past  $7\frac{1}{2}$  years. Prior to that time Mr. More had filled various executive positions since he joined the service of the Bank some 33 years ago, and he is well known to most of you. His sound judgment is apparent to all who come in contact with him, and the Bank is fortunate to have him as its Chief Executive Officer. Mr. L. S. Mackersy, formerly General Supervisor, has been appointed an Assistant General Manager to act along with the now Senior Assistant General Manager, Mr. I. K. Johnston. All three are seasoned officers of experience and I am satisfied that the affairs of the Bank are in thoroughly capable hands.

You will remember that at the last Annual General Meeting you approved of a By-law which permitted us to increase the number of our Directors and that at that meeting, in addition to the former Directors, you elected to



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## Imperial Bank of Canada

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the Board Mr. Hugh L. McCulloch of Galt, President of Babcock-Wilcox and Goldie-McCulloch Limited, and Mr. W. B. Powell of Hamilton, President of Appleford Paper Products Limited. During the year four additional Directors were elected. They are Mr. Jules R. Timmins of Montreal, President of Hollinger Consolidated Gold Mines, Limited; Mr. Eliot S. Frosst also of Montreal, President of Charles E. Frosst and Co.; Mr. F. G. Rolph of Toronto, Vice-President of Rolph-Clark-Stone, Limited, and Mr. William P. Walker also of Toronto, Vice-President of York Knitting Mills Limited. These are men of wide and varied interests whose knowledge and experience will prove, I am sure, of great benefit to this Bank. We gladly welcome them to our Board.

### BANK'S YEAR

The General Manager has given you a full explanation of the various items that make up our yearly statement, and I am sure that you will be pleased to note that the Bank continues to grow in size and importance, with both total assets and total deposits showing a substantial increase. As there has been no corresponding increase in the demand for commercial loans, it has been necessary to invest our increased assets almost exclusively in bonds or other obligations of the Dominion Government. This has meant a lower average interest rate earned on our assets. On the other hand, losses from bad debts have been smaller and recoveries from debts previously provided for have been higher than average, and in the result the profits have been fully maintained and we are well satisfied with the statement as a whole.

### GENERAL CONDITIONS

The part played by the less than twelve million Canadian people toward the winning of the war has won the admiration of free men everywhere. Under the impetus of war a very high general level of business activity has been maintained during 1944. National income is officially estimated at about  $9\frac{1}{4}$  billion dollars, an increase of 6.3 percent over 1943. While employment in certain lines of industry has declined, there is still said to be an overall shortage of industrial labour.

The farmer has accomplished wonders in providing for the home market as well as in meeting the very heavy

demands of Britain. This will be one of the banner years from the standpoint of yield. The wheat crop, placed at about 450 million bushels, was the third largest produced during the five years of war, while an ample harvest of coarse grains promises well for continued large production of meats and dairy products.

A new high level of farm income has resulted from these bountiful harvests, and in western Canada the people appear to be better off than at any time during the last two decades. It is gratifying to note that this new prosperity has resulted in a large decrease in mortgage and farm indebtedness generally.

Labour has, on the whole, been fully employed and frequently at higher wage levels than those previously prevailing.

Brilliant offensives of the allied forces on many battle fronts during the present year have again directed attention to the enormous demand for munitions and supplies which have made such attacks possible. Our people have felt their responsibility and met the challenge of supplying the armed services with the equipment they required.

One result of the high level of business activity has been that many municipalities find themselves in a better position financially than they have enjoyed for many years. Not only have current municipal taxes been well paid but arrears of taxes have been substantially reduced and in many instances bonded indebtedness has been reduced or refunded at lower rates of interest.

The Seventh Victory Loan, the greatest public borrowing transaction in Canada's history, has just been successfully concluded. It is encouraging to note that the war is thus being carried on with increasing success on the financial as well as on the military fronts. The Minister of Finance is able to report marked progress in the attainment of two main government objectives, to meet about half the cost of the war by current taxation and to borrow as much as possible of the other half from individual and corporate investors rather than from the chartered banks. This progress supports the hope that the financing of the war can be completed with a minimum of disturbance to the nation's monetary structure.



It has been the task of the Finance Department to provide for the costliest war in history. War expenditure in the last five and one-half fiscal years totalled no less than \$12.5 billion, while the non-war expenditure was \$3.3 billion, making a total of \$15.8 billion. About 59 percent of this immense sum was obtained in the form of tax and other revenue. The remainder had to be raised by borrowing.

Certainly our war effort has not been limited by financial considerations, and though taxation has been a heavy burden upon both individuals and industry, the levies have been paid, in the main, without serious objection. Termination of the war seems likely to bring a more critical attitude, and it becomes increasingly urgent that plans be made now for revision of taxation in the post-war years. Business has accepted tax rates at almost confiscatory levels as part of the sacrifice required of war, but revision is necessary to facilitate expansion and provide a greater volume of employment when such encouragement will be needed, and special consideration should be given to the modification of such taxation as raises unduly the cost of business operations of those Canadian producers who will have to compete in the post-war export field with nations of low living standards.

The Dominion Government has already made a start on a programme of social security with the intimation that there is more to follow. While this is in line with what has been done in other enlightened countries, the fact cannot be ignored that it demands a continuance of high taxation.

The Canadian public has apparently not yet realized how much larger the post-war expenditures of the Dominion Government will be over pre-war levels. Present prospects are that our post-war burden of taxation will be a heavy one and it does not appear that there will be much immediate relief even when hostilities cease. As our whole system of taxation is complex and unscientific and its administration and collection very costly, it seems to me that the government should now refer the whole subject to a representative group of experts for advice and recommendations.

Our after the war position will be influenced by the policies which Canada has adopted during the war. No country has dealt more successfully with the control of prices; no country of our size has ever achieved the level of



industrial output which has flowed increasingly from our factories. In addition, consumer rationing on a large scale has been successfully applied and a workable system of priorities in the use of raw materials evolved. All of these developments should be studied closely and continuously as part of the task of converting the Canadian economy from war to peace. No controls should be retained longer than absolutely necessary. But on the other hand we must avoid at all costs a period of inflation like that which developed after the last war. Therefore we will have to retain such controls as may be necessary to prevent such a catastrophe.

One of the principles of reconstruction should be that all activities of the government to utilize our resources of equipment and man-power should be directed only to the fields of endeavor where private enterprise cannot function with equal benefit to the general welfare. People cannot long retain their freedom in competition with their own government.

Our present system of free enterprise may have the faults which are inseparable from any organism created by human beings but in spite of its faults it has given Canada its present high standard of living and provided the industrial potential which has proved so effective in support of our war effort.

The next twelve months will be difficult ones for this country. The United Nations have to bring the war against Germany to a successful conclusion and then throw such of their strength as may be needed against Japan. While we are taking our full part in the Pacific area of the war we must also make and carry out plans for the orderly demobilization of such of our Armed Forces and of our munition workers as can be spared.

But if Canada will be confronted with difficulties, these need not be approached in a spirit of pessimism. The people of this country have achieved a world reputation for the courage, common sense, and endurance with which they meet their problems. There is no reason to believe that once our problems are made clear to the people of Canada they will fail to find solutions for them.



In order to appreciate the character and magnitude of the problems that are likely to confront us in the post-war era, it is necessary that we make as objective an approach to the subject as possible. It is certain that we shall neither properly appreciate the problems nor find solutions for them if we allow ourselves to be carried away by visions of a post-war Utopia. Our war effort has greatly increased our industrial potential; our industries have acquired new skills; our people have enjoyed a higher level of income than ever before; but in the face of these advances it must never be forgotten that wars are destructive and that wars impoverish. Unfortunately, there are many people who have come to believe that after the war we shall enter into a new world where war-born inventions will relieve them of the necessity for hard work. Too many of us seem to believe that we can get something for nothing and that the piping times of peace will be free of major problems. Such an attitude, I need hardly say, is fraught with danger not only for Canada but for all the world.

The extent to which Canada is dependent upon export trade for her prosperity does not seem to be generally realized. It has been said of several countries that they must export or die. This may be only rhetoric in the case of some countries, but it is sober truth where Canada is concerned.

Because of this fact our post-war situation would appear to be a difficult one. We shall have to find markets for our surpluses of foods and raw materials in a world shaken to its very foundations by the greatest and most destructive war of all times. To add to our many other difficulties, we must recognize the fact that Great Britain will emerge from this war a debtor nation. The economic repercussions of this fact and its importance for Canada cannot be over-emphasized.

In the past, we could rely upon Britain to provide us with sterling exchange in payment for her purchase of our exports. In the post-war world Britain will not have the wherewithal to continue such transactions. This means that we shall no longer be able to count on large sterling payments with which to acquire the American dollars needed to balance our accounts with the United States. It can readily be seen, therefore, that no country is more vitally interested than



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## Imperial Bank of Canada

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Canada in the setting up of some international machinery for the financing of post-war world trade. Without some such machinery our prospect of retaining the volume of export trade which Canada needs does not appear encouraging. The Bretton Woods Conference evolved plans which give promise of providing the necessary machinery. It would seem therefore to be very much in our interest that these plans should be implemented, whatever defects certain experts may discern in them. It is by no means certain, however, that these plans will be implemented, and it is not too early for Canada seriously to consider what alternative measures we, as a great exporting nation, must take in the unfortunate event of the Bretton Woods Agreements not proving acceptable to other countries.

One alternative which suggests itself is a continuance of some form of mutual aid in the post-war years. This is admittedly a policy full of difficulties, not the least of which is that it involves the certain continuance of a high level of taxation. We may decide, however, that it is better to pay high taxes on a prosperous level of income than to pay no taxes on no income.

Canada has long been an important part of the modern world and her contribution to the winning of the war has greatly enhanced that importance. We cannot, even if we would, escape from bearing our share in the solution of the vexed problems with which the world will be confronted after the cessation of hostilities. It is clearly the duty of all our citizens, therefore, to give earnest thought to the many questions which will affect our future.

Before I conclude my remarks, I wish to express the thanks of the Directors and myself to the executive, management, and all members of the staff for their efficient services throughout a trying year. I wish also to endorse what has already been said by the General Manager in extending, on behalf of us all, our sincere sympathy to the families and relations of the thirty-seven officers of this Bank who have given their lives in the battle for freedom.

We may, I think, look forward to the time when we meet again next year with the hope that the war at least in Europe will be over.



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Imperial Bank of Canada

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It was moved by the President, seconded by Mr. J. W. Hobbs and resolved that the Report which has been read be adopted, printed and circulated among the Shareholders.

It was moved by Mr. Frank A. Harrison, seconded by Mr. A. R. Capreol and resolved that A. B. Shepherd, F.C.A., of Peat, Marwick, Mitchell & Co., and W. D. Glendinning, F.C.A., of Glendinning, Jarrett, Gray & Roberts, be appointed Auditors of the Bank for the ensuing year at a remuneration not to exceed \$12,000.

It was moved by Mr. Peter White, K.C., seconded by Mr. G. E. Phipps and resolved that the thanks of the Shareholders are due and are hereby tendered to the Chairman of the Board, the President, the Vice-President and Directors for their able and careful management of the Bank's affairs and to the General Manager, the Assistant General Managers and other officers of the Bank for their valuable services during the past year.

Mr. W. P. Walker and Mr. I. K. Johnston replied to the Motion expressing appreciation on behalf of the Directors and the Staff respectively.

It was moved by Mr. A. M. Bethune, seconded by Mr. E. N. Bate and resolved that the Ballot Box be now opened for the receipt of ballot papers for the election of nineteen Directors, the poll to close as soon as two minutes shall have elapsed without a vote being tendered.

The ballot having been taken, the Scrutineers reported the following to have been elected Directors for the ensuing year:—A. E. Phipps, R. S. Waldie, Col. J. F. Michie, J. W. Hobbs, Walter C. Laidlaw, John A. Northway, G. H. Aikins, K.C., H. E. Sellers, W. B. Woods, Arthur L. Bishop, E. E. Buckerfield, C. Gordon Cockshutt, Herbert H. Horsfall, H. L. McCulloch, W. B. Powell, Eliot S. Frosst, Jules R. Timmins, F. G. Rolph and W. P. Walker.

The Meeting was then adjourned.







